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Attorneys for Creditor Rabo AgriFinance LLC

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
AMARILLO DIVISION**

<p>IN RE:</p> <p>McCLAIN FEED YARD, INC., McCLAIN FARMS, INC. and 7M CATTLE FEEDERS, INC.,</p> <p>Debtors.¹</p>	<p>CASE NO. 23-20084-7-rlj</p> <p>(Jointly Administered Cases)</p> <p>Chapter 7</p>
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¹ The Debtors in these jointly administered Chapter cases are: (a) McClain Feed Yard, Inc. (Case No. 23-20084), (b) McClain Farms, Inc. (Case No. 23-20885) and 7M Cattle Feeders, Inc. (Case No. 23-20886). All three cases are being jointly administered under the case number for McClain Feed Yard, Inc.

RABO AGRIFINANCE LLC’S RESPONSE TO (A) FIRST INTERIM APPLICATION OF QUILLING, SELANDER, LOWNDS, WINSLETT & MOSER, P.C., AND (B) LAIN, FAULKNER & CO, P.C.

Rabo AgriFinance LLC (“**Rabo**”), a secured creditor of each of Debtors (collectively, the “**McClain Debtors**”) in the above-entitled jointly administered cases, through counsel, hereby files this Response to (a) the *First Interim Application of Quilling, Selander, Lownds, Winslett & Moser P.C.* (the “**Quilling Application**”) [Dkt. 224], and (b) the *First Interim Application of Lain, Faulkner & Co., P.C.* (the “**Lain Faulkner Application**”) [Dkt. 228]. The Quilling Application and the Lain Faulkner Application are collectively referred to herein as the “**Fee Applications**”).

For its response to the Fee Applications, Rabo respectfully states as follows:

1. In the Quilling Application, the firm of Quilling, Selander, Lownds, Winslett & Moser, P.C., in its capacity as special counsel for the Chapter 7 Trustee, requests an interim award of fees and expenses totaling \$250,000.00.
2. In the Lain Faulkner Application, the firm of Lain, Faulkner & Co., P.C., in its capacity as accounts and financial advisors to the Chapter Trustee, requests an interim award of fees and expenses totaling \$160,969.18.
3. Rabo has no objection to the entry of an order approving the Fee Applications on an interim basis, and authorizing the payment of the fees and costs requested therein, provided, however, that any Order approving the Fee Applications should make clear that any payments made on the Fee Applications will come solely from the \$3,000,000.00 in proceeds the Trustee

has recovered from settlement of Chapter 5 avoidance claims related to the recovery of life insurance payments, and from no other sources.

4. As the Court is aware, the Chapter 7 Trustee is currently holding substantial funds upon which Rabo claims a perfected security interest. Such funds include proceeds from the liquidation of cattle, proceeds from the liquidation of feed, and proceeds from the Debtors' bank accounts.

5. Furthermore, as the Court is aware, other parties also assert that the proceeds the Trustee is holding from the liquidation of cattle are subject to Dealer Trust claims.

6. For the foregoing reasons, while Rabo has no objection to approval of the Fee Applications on an interim basis or to the payment of the amounts requested therein, Rabo files this Response solely to seek confirming language in the Court's approval order of what already appears to be conceded in the Fee Applications—that any payments on these Fee Applications will come solely from the \$3,000,000.00 in life insurance proceeds the Trustee recently recovered from various McClain family members.

DATED this 8th day of May, 2024.

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/s/ Michael R. Johnson

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Attorneys for Rabo AgriFinance LLC

CERTIFICATE OF SERVICE

I hereby certify that on May 8, 2024, the foregoing document was filed with the Clerk of the Court in each of the foregoing Chapter 7 cases using the CM/ECF system, which sent notice of electronic filing to all electronic filing users in each case.

/s/ Michael R. Johnson

Michael R. Johnson